

Indian Affairs. If the sale occurs twenty years or more after the date of ownership, no repayment of any part of the grant will be due the Bureau of Indian Affairs.

(5) Adequate fire insurance, where determined feasible, must be carried.

§ 256.5 HIP application.

Individuals wishing to participate in the Housing Improvement Program must fill out BIA Form 6407. Application forms may be obtained from tribes or the nearest Bureau of Indian Affairs Office. Completed applications should be submitted to tribes or the nearest BIA office, where applicable. Each application for assistance should be approved by the tribe. Nonmember Indians apply for assistance through the tribe in whose jurisdiction they reside.

§ 256.6 Eligibility.

(a) To establish eligibility for selection to receive a grant under § 256.7, an applicant must show that:

- (1) The applicant is an Indian.
- (2) The present housing of the applicant is substandard or inadequate in terms of capacity to meet the physical needs of the family.
- (3) The applicant has been denied, or is ineligible for, housing assistance from sources other than the HIP.
- (4) The economic resources of the applicant are inadequate or factors exist which make the applicant unable to obtain housing from other local, state or Federal sources. Applicants whose annual income exceeds the Department of Health and Human Services Poverty Income Guidelines by 225% or more shall be ineligible for HIP assistance on the basis of need. Determination of eligibility will be made on a case-by-case basis.

(5) The applicant for assistance under one of the categories in § 256.4 meets the ownership requirements given under that category.

(b) After October 1, 1986, an applicant may only receive assistance once under categories given in paragraph (b), (c), or (d) of § 256.4.

(c) The Department of Housing and Urban Development (HUD) financed houses under the administration of an Indian Housing Authority (IHA) will not be eligible for assistance until the

end of the entire project indebtedness to the Federal Government.

§ 256.7 HIP selection criteria.

Once the eligibility requirements of § 256.6 are satisfied, development of priority lists of eligible applicants shall be accomplished by a ranking system based on six basic factors of need: Annual income, family size, overcrowded living conditions, age, handicap or disability, and HUD-IHA financed housing. Eligible applicants may receive points for any or all of these six factors. Priority will be given relative to the number of points received. Appendix A to this provides a summary of selection criteria.

(a) *Factor No. 1—Annual Household Income* (Up to 40 points available).

(1) The eligible applicant's total annual household income and other resources, if any, must be evaluated in order to determine priority in terms of degree of poverty. If an individual is counted as a family member for the purpose of determining Family Size (Factor No. 2), the annual income of that person must be included in the total annual household income on the HIP application. Examples of income which must be included are royalties and onetime income. A specific definition of the type of resources which must be included is set forth in 25 CFR part 20.

(2) In order to determine whether or not the applicant is entitled to points under Factor No. 1, it is necessary to compare the total combined annual household income against the Federal Poverty Income Guidelines which are published annually by the Department of Health and Human Services. The most current issue of the Guidelines published in the FEDERAL REGISTER by Health and Human Services (HHS) will be used during the selection process. A yardstick for determining applicant income priority is provided based upon 125% of the Poverty Income Guidelines. In addition, even greater point values are available for applicants whose annual income falls substantially (25% or more) below the poverty level. In order to facilitate calculations, a chart of the various income levels is provided